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LESLIE COAL MINING COMPANY

1100 Superior Avenue

JAN 2 6 1978 -9 2 AM

9 15 # 78

Cleveland, Ohio 44114

MENSIATE COMMERCE COMMISSION

CERTECOHOATION NO. 21 JAN 2 6 1978 -9 2 AM

January 26

SecretaryMIERSTATE DOMMEROS COMMISSION RECORDATION NO.

RECORDATION NO.

Interstate Commerce Commission Washington, D. C.

20423 JAN 2 6 1978 - 9 💯 AM

DJAN 8 6 1978 - 9 44 AM Partion.

Dear Sir:

WILKSIALE COMMERCE COMMISSION

MILERATATE COMMERCE COMMISSION

I transmit for recording with the Commission, pursuant to Section 20c of the Interstate Commerce Act (Act), three executed copies of each of the following documents:

- (a) Lease Agreement (No. 9), dated as of September 30, 1975, between First National Bank of Louisville, as Trustee, Lessor and Leslie Coal Mining Company, L'essée.
- (b) Lease Supplement No. 1 (Lease Agreement No. 9), dated January 26, 1978, between First National Bank of Louisville, as Trustee, and Leslie Coal Mining Company, Lessee.
- Assignment of Lease and Agreement (Leslie Coal Mining Company Equipment Trust No. 9), dated as of January 26, 1978, among First National Bank of Louisville, as Owner Trustee, Leslie Coal Mining Company, Lessee and The Chase Manhattan Bank (National Association), as Indenture Trustee.
- Supplemental Indenture and Security Agreement No. 9 (Leslie Coal Mining Company Equipment Trust No. 9), dated as of January 26, 1978, between First National Bank of Louisville, as Owner Trustee, and The Chase Manhattan Bank (National Association), as Indenture Trustee. This document is a supplement to the Trust Indenture and Security Agreement, dated as of September 30, 1975, between First National Bank of Louisville, as Owner Trustees, and The Chase Manhattan Bank (National Association), as Indenture Trustee, previously filed with the Commission, Recordation No. 8182-C, filed January 15, 1976, 8:50 A.M.

It is the intention of Leslie Coal Mining Company (the "Company") to effect such filings with the Commission only to the extent required,

if at all, to perfect the security interest created by the above documents in the equipment described below; such recording should not be deemed to be an admission by the Company that it or any of its operations are under the jurisdiction of the Commission nor does the Company by this recording in any way submit to the jurisdiction of the Commission.

The equipment covered by the above documents includes the following:

Description	Manufacturer	Serial No.
Supply Car	Kersey	9000064
Supply Car	Kersey	9000065
Supply Car	Kersey	2010002
Supply Car	Kersey	2010003

The names and addresses of the parties to the transaction are as follows:

Lessee - Leslie Coal Mining Company 1100 Superior Avenue Cleveland, Ohio 44114

Lessor, Trustees - First National Bank of Louisville First National Tower Louisville, Kentucky 40202

Indenture Trustee - The Chase Manhattan Bank
(National Association)
One Chase Manhattan Plaza
New York, New York 10015

There is also enclosed a check for the recordation fee in the amount of \$70.00.

Kindly return to the bearer one counterpart of each document filed herewith.

Very truly yours,

LESLIE COAL MINING COMPANY

President

Chesholm

LEASE SUPPLEMENT NO. 1

(Lease Agreement No. 9)

JAN 2 6 1978 - 9 🚉 AM

LEASE SUPPLEMENT NO. 1 (Lease Agreement No. 9), dated January 26, 1978, between First National Bank of Louisville, a national banking association organized and existing under the laws of the United States of America, as Trustee under the Trust Agreement (No. 9) dated as of September 30, 1975, between Citicorp Lescaman, Inc., a Delaware corporation, and such Trustee (such Trustee in its capacity as such Trustee, being herein called the "Lessor"), and Leslie Coal Mining Company, a Delaware corporation (the "Lessee").

The Lessor and the Lessee have heretofore entered into that certain Lease Agreement (No. 9) dated as of September 30, 1975 (herein called the "Lease" and the defined terms therein being hereinafter used with the same meaning). The Lease provides for the execution and delivery of this Lease Supplement No. 1 in substantially the form hereof (other than paragraph 4 hereof, which is provided for in Section 11(b)(2) of the Lease) on the date hereof. This Lease Supplement No. 1 is a supplement to the Lease and shall be construed as such and not as a separate agreement.

Now, Therefore, in consideration of the premises and other good and sufficient consideration, the Lessor and the Lessee hereby agree as follows:

- 1. The Lessee hereby represents, warrants and confirms to the Lessor that each Item of Equipment listed on Schedules 1A, 1B, 1C, and 1D hereto has been unconditionally and irrevocably accepted by the Lessee in Pike County, Kentucky for all purposes of the Lease and each such Item of Equipment either (A) is in good working order and repair and without defect or inherent vice in condition, design, operation or fitness for use, or (B) in the good faith opinion of the Lessee is capable of being put in the state described in clause (A) promptly (in any case within one year) without substantial additional work and expense and the Lessee covenants at its own expense to use its best efforts promptly to put each such Item of Equipment in the state described in clause (A); provided, however, that nothing contained herein or in the Lease shall in any way diminish or otherwise affect any right the Lessee or the Lessor may have with respect to any Item of Equipment against the Manufacturer thereof, or any third person.
- 2. The Lessee represents, warrants and confirms to the Lessor with respect to each Item of Equipment listed on Schedules 1A, 1B, 1C and 1D hereof:
 - (i) that such Item of Equipment meets the specifications for an Item of Equipment set forth in Section 2(a) of the Lease;
 - (ii) that such Item of Equipment is accurately described on the applicable Schedule;
 - (iii) that such Item of Equipment falls within the Class of the Schedule on which it is listed;
 - (iv) that the Capitalized Cost of such Item of Equipment has been properly computed in accordance with Section 2(b) of the Lease;
 - (v) that such Item of Equipment has been marked in accordance with Section 6(e) of the Lease if required by such Section;
 - (vi) that such Item of Equipment prior to its acquisition shall not have been put to any use by either the Lessee or any other person, and upon acquisition and use of such Item of Equipment by the Lessor, the original use of such Item of Equipment will be considered to have commenced with the Lessor;
 - (vii) such Item of Equipment constitutes to the Lessor an item of property (A) with respect to which (x) an investment credit of at least 7% is allowable to the Lessor under Section 38 of the Internal Revenue Code of 1954, as amended, for "new section 38 property", within the meaning of Section 48(b) of such Code, and (y) the allowance for depreciation may be computed pursuant to either the double declining balance method, using a rate equal to twice the straight-line rate, or the sum of the years-digits method, as provided in Sections 167(b)(2) and (3) of such Code and (B) which can be depreciated over an asset depreciation period of 8 years pursuant to Revenue Procedure 72-10, 1972-1 Cum. Bull. 721; and

- (viii) the Lessee has delivered to the Lessor an Instrument of Transfer and Acceptance covering such Item of Equipment and such Instrument of Transfer and Acceptance duly vests in the Lessor good and valid title to such Item of Equipment, free and clear of all Liens and rights of others except only Liens and other rights of the types referred to in clauses (i) through (viii) of Section 5(a) of the Lease.
- 3. The Lessor and the Lessee agree that the Capitalized Cost of each Item of Equipment, its Class and its date of delivery under the Lease are as indicated in the respective Schedules annexed hereto.
- 4. Section 11(b)(2) of the Lease provides for adjustments of the Basic Rent, Termination Value and Stipulated Loss Value percentages in the event that the tax benefits available are different from the tax benefits referred to or specified in clauses (i) through (viii) of Section 11(b)(1) of the Lease. Citicorp Leasing, Inc. has recomputed such percentages to reflect the adjustments provided for in such Section 11(b)(2) and the Lessor and the Lessee hereby agree that Schedules I, IIA, IIB, IIC, IID, IIIA, IIIB, IIIC, and IIID to the Lease, respectively, shall be amended effective on and as of the date hereof to read as set forth in the respective Schedules I, IIA, IIB, IIC, IID, IIIA, IIIB, IIIC and IIID attached hereto.

This Lease Supplement No. 1 shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, including all matters of construction, validity and performance.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement No. 1 to be duly executed as of the day and year first above written.

Assistant/Secretary

Lalen foring.
Secretary

[CORPORATE SEAL]

A TTEST

FIRST NATIONAL BANK OF LOUISVILLE,

as Trustee, Lessor

Vice President and Trust Officer

[CORPORATE SEAL]

ATTEST:

LESLIE COAL MINING COMPANY,

Lessee

Desset //

President

THE RIGHTS OF THE LESSOR IN AND TO THE LEASE, INCLUDING THIS LEASE SUPPLEMENT NO. 1, HAVE BEEN ASSIGNED, MORTGAGED AND PLEDGED TO, AND ARE SUBJECT TO A SECURITY INTEREST IN FAVOR OF, THE INDENTURE TRUSTEE UNDER THE TRUST INDENTURE AND SECURITY AGREEMENT DATED AS OF SEPTEMBER 30, 1975, BETWEEN FIRST NATIONAL BANK OF LOUISVILLE, AS OWNER TRUSTEES, AND THE CHASE MANHATTAN BANK (NATIONAL ASSOCIATION), AS INDENTURE TRUSTEE, AS SAID TRUST INDENTURE AND SECURITY AGREEMENT MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME AS PERMITTED THEREBY. THIS LEASE SUPPLEMENT NO. 1 HAS BEEN EXECUTED IN SEVERAL COUNTERPARTS OF WHICH THIS IS COUNTERPART NUMBER! SEE SECTION 23 OF THE LEASE FOR INFORMATION CONCERNING THE RIGHTS OF THE HOLDERS OF THE VARIOUS COUNTERPARTS OF THE LEASE AND OF THIS LEASE SUPPLEMENT NO. 1 AND SEE THE DISCLAIMER OF REPRESENTATIONS AND WARRANTIES IN SECTION 2(g) OF THE LEASE.

STATE OF KENTUCKY COUNTY OF JEFFERSON SS.:

On this 26th day of January, 1978, before me personally came Dennis W. Weihe, to me known, who, being by me duly sworn, did depose and say that he resides at First National Tower, Louisville, Kentucky 40202; that he is a Vice President of First National Bank of Louisville, one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

[NOTARIAL SEAL]

My commission expires April 12, 1979

STATE OF OHIO
COUNTY OF CUYAHOGA
SS.

On this 26th day of January, 1978, before me personally came A.H. Checken, to me known, who, being by me duly sworn, did depose and say that he resides at 1100 Superior Ave., Cleveland, Ohio 44114, that he is for the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

Notary Public

Notary Public

[NOTARIAL SEAL]

My commission expires

SCHEDULE 1A to Lease Supplement No. 1

CLASS A ITEMS OF EQUIPMENT

Item No.	Description of Item of Equipment	Manufacturer	other means of identification)	Date of Delivery (1977)	Capitalized Cost
9A-1	Rockduster	Elkhorn Industrial	315	December 1	\$2,722.00
9A-2	Rockduster	Elkhorn Industrial	316	December 1	2,722.00
9A-3	Rockduster	Elkhorn Industrial	319	December 1	2,722.00
				Total	\$8,166.00

SCHEDULE 1B to Lease Supplement No. 1

CLASS B ITEMS OF EQUIPMENT

 Item
 Description of No.
 Description of Item of Equipment
 Manufacturer
 Serial No. (or other means of identification)
 Date of Delivery identification
 Capitalized (1977)

(There are no Items of Class B Equipment)

SCHEDULE 1C

to

Lease Supplement No. 1

CLASS C ITEMS OF EQUIPMENT

Item No.	Description of Item of Equipment	Manufacturer	Serial No. (or other means of identification)	Date of Delivery (1977)	Capitalized Cost
9C-1	Supply Car	Kersey	9000064	October 21	\$ 5,594.00
9C-2	Supply Car	Kersey	9000065	October 21	5,594.00
9C-3	Supply Car	Kersey	2010002	November 30	16,969.00
9C-4	Supply Car	Kersey	2010003	November 30	16,970.00
				Total	\$45,127,00

SCHEDULE 1D to Lease Supplement No. 1

CLASS D ITEMS OF EQUIPMENT

ltem <u>No.</u>	Description of Item of Equipment	Manufacturer	Serial No. (or other means of identification)	Date of Delivery (1977)	Capitalized Cost
9D-1	Conveyor Belt System—36"	Elmac	967	November 17	\$127,932.00
			Total		\$127,932.00

SCHEDULE I

TO LEASE AGREEMENT

(No. 9)

- 1. Applicable Quarter: October 1, 1977 to December 31, 1977
- 2. Basic Rent during Original Term:

Class of Equipment	% of Capitalized Cost	No. of Installments
Class B.	4.6750% *	32
Class C.	3.2500%	52
Class D	2.2820%	92

^{*} There are no Items of Class B Equipment.

SCHEDULE II A

TO LEASE AGREEMENT

(No. 9)

STIPULATED LOSS VALUE

CLASS A EQUIPMENT

Rental Payment Date	% of Capitalized <u>Cost</u>
1	113.011818
2	112.577838
3	111.453860
4	110.070232
5	108.419164
6	106.702822
7	104.678296
8	102.397078
9	99.851482
10	97.276216
11	94.551550
12	91.610476
13	88.446556
14	85.193392
15	81.810212
16	78.304152
17	74.718444
18	71.070758
19	67.367994
20	63.588858
21	59.731717
22	55.806702
23	51.836558
24	47.791530
25	43.669859
26	39.473971
27	35.242869
28	30.938063
29	26.557653
30	22.096177
31	17.609345
32	15 000000

SCHEDULE II B

TO LEASE AGREEMENT

(No. 9)

STIPULATED LOSS VALUE

CLASS B EQUIPMENT

Rental Payment Date % Of Capitalized Cost

(There are no Items of Class B Equipment)

SCHEDULE II C

TO LEASE AGREEMENT

(No. 9)

STIPULATED LOSS VALUE CLASS C EQUIPMENT

Rental Payment Date	% of Capitalized Cost
1	113.088592
2	114.178756
3	114.702250
4	115.052996
5	115.226220
6	115.226226
7	114.927148
8	114.332338
9	113.504880
10	112.706806
	111.710830
12	110.522600
13	10.322000
14	107.726566
	106.127652
16	104.352100
	104.332100
17	
18	100.534214
19	98.566866
20	96.549468
21	94.481244
22	92.385400
23	90.254510
24	88.077472
25	85.853484
26	83.599020
27	81.320492
28	78.999680
29	76.635732
30	74.238316
31	71.827886
32	69.378960
33	66.890647
34	64.365725
35	61.838883
36	59.277254
37	56.679898
38	54.036505
39	51.390108
40	48.709374
41	45.993279
42	43.221367
43	40.439161
44	37.619712
45	34.761885
46	31.844089
47	28.914657
48	25.944772
49	22.933177
50	19.857021
51	16.767761
53	1.5.000000

SCHEDULE II D

TO LEASE AGREEMENT

(No. 9)

STIPULATED LOSS VALUE

CLASS D EQUIPMENT

Rental Payment Date	% of Capitalized Cost	Rental Payment Date	% of Capitalized Cost
1	114.229302	47	92.451878
2	116.391328	48	91.186374
3	118.068972	49	89.907302
4	119.631332	50	88.604826
5	121.075418	51	87.300002
6	122.405198	52	85.980978
7	123.243152	53	84.647380
8	123.884046	54	83.289020
9	124.322794	55	81.927828
10	124.833586	56	80.551370
11	125.135838	57	79.159234
12	125.273244	58	77.740838
13	125.241544	59	76.319088
14	125.233518	60	74.880898
15	125.023268	61	73.425816
16	124.662880	62	71.942812
17	124.148472	63	70.455894
18	123.645406	64	68.951242
19	122.983560	65	67.428358
20	122.187928	66	65.875725
21	121.288308	67	64.318558
22	120.384568	68	62.742235
23	119.451024	69	61.146203
24	118.487544	70	59.518400
25	117.493826	71	57.885390
	116.494944	72	56.231654
26	115.477832		54.556581
27	114.436048	73 74	52.847501
28		75	51.132479
29	113.369302		49.395000
30	112.296420	76	47.634386
31	111.216992	77	45.837297
32	110.118238	78	
33	108.999884	. 79	44.033461
34	107.874480	80	42.205254
35	106.754330	81	40.351929
36	105.620284	82	38.459394
37	104.472072	83	36.559233
38	103.309860	84	34.632587
39	102.152588	85	32.678634
40	100.983770	86	30.682442
41	99.803128	87	28.677661
42	98.601438	88	26.644061
43	97.398248	89	24.580728
44	96.182706	90	22.471809
45	94.954512	91	20.353242
46	93.704148	92	19.098750

SCHEDULE III A

TO LEASE AGREEMENT

(No. 9)

Termination value CLASS A EQUIPMENT

Rental Payment Date	% of Capitalized Cost
1	100.460086
2	99.953750
3	98.756998
4	97.300176
5	95.575492
6	93.785112
7	91.686120
8	89.330006
9	86.709082
10	84.058054
11	81.257190
12	78.239480
13	74.998480
14	71.667792
15	68.206642
16	64.622162
17	60.957581
18	57.230568
19	53.448021
20	49.588640
21	45.650792
22	41.644606
23	37.592822
24	33.465684
25	29.261429
26	24.982481
27	20.667841
28	16.279015
29	11.814100
30	7.267633
31	2.695319
32	0.000000

SCHEDULE III B

TO LEASE AGREEMENT

(No. 9)

TERMINATION VALUE CLASS B EQUIPMENT

Rental Payment Date % of Capitalized Cost

(There are no Items of Class B Equipment)

SCHEDULE III C

TO LEASE AGREEMENT

(No. 9)

TERMINATION VALUE CLASS C EQUIPMENT

Ren Pay mer Dat	- Lift	% of Capitalized Cost
	=	
1		101.899980
2		102.925646
3		103.384270
ĭ		103.669770
4 5		
2		103.777374
6		103.780730
7		103.345924
8		102.684352
9		101.789748
10		100.924140
11		99.860240
12		98.603694
13		97.149192
14		95.669850
15		94.001432
16		92.155976
17		90.189158
18		88.197070
19		86.158604
20		84.069676
21		81.929510
22		79.761310
23		77.557646
24		75.307416
25		73.009812
26		70.681308
27		68.328316
28		65.932607
29		63.493332
30		61.020154
31		58.533526
32		56.007962
33		53.442571
34		50.840124
35		48.235311
36		45.595263
37		42.919035
38		40.196315
39		37.470134
40		34.709157
41		31.912355
42		29.059271
43		26.195425
44		23.293866
45		20.353455
46	***************************************	17.352600
47		14.339630
48		11.285724
49		8.189625
50		5.028476
51		1.853735
57		0.000000

SCHEDULE III D

TO LEASE AGREEMENT

(No. 9)

TERMINATION VALUE CLASS D EQUIPMENT

Rental Payment Date	% of Capitalized Cost	Rental Payment Date	% of Capitalized <u>Cost</u>
1	102.909600	47	77.706084
2	105.006370	48	76.355576
3	106.618386	49	74.991008
4	108.114736	50	73.602546
5	109.492432	51	72.211238
6	110.755440	52	70.805232
7	111.526238	53	69.384152
8	112.099588	54	67.937804
9	112.470402	55	66.488118
10	112.912868	56	65.022655
11	113.146402	57	63.541002
12	113.214694	58	62.032570
13	113.113480	59	60.520269
14	113.035540	60	58.991004
15	112.754972	61	57,444322
16	112.323862	62	55.869190
17	111.738324	63	54.289613
18	111.163716	64	52.691768
19	110.429918	65	51.075153
20	109.561918	66	49.428249
21	108.589514	67	47.776268
22	108.389314	68	46.104584
23	106.605400	69	44.412641
24	105.567870	70	42.688375
25	103.307870	71	40.958346
26	103.425886	72	39.207031
27	103.423880	73	37.433817
28	102.333434	74	35.626030
29	100.072920	75	33.811733
30	98.923390	76	31.974405
31	98.923390	77	30.113368
	96.590584	78	28.215275
32	95.394244	79	26.309854
33	94.190410	80	24.379477
34		81	22.423392
35	92.991376		20.427506
36	91.777990	82	18.423396
37 38	90.549982	83 84	16.392203
	89.307514		
39	88.069522	85	14.333101
40	86.819520	86	12.231153
41	85.557226	87	10.120007
42	84.273412	88	7.979428
43	82.987626	89	5.808499
44	81.689014	90	3.591365
45	80.377268	91	1.363959
46	79.042870	92	0.000000

This instrument was prepared by the undersigned, Byron K. Burnett, attorney at law, whose address is c/o Dewey, Ballantine, Bushby, Palmer & Wood, 140 Broadway, New York, New York 10005.